ABIGAIL SPANBERGER
7TH DISTRICT, VIRGINIA

## Congress of the United States House of Representatives

Washington, DC 20515

September 3, 2021

The Honorable Isabella Casillas Guzman Small Business Administration 409 3<sup>rd</sup> St, SW Washington, D.C. 20416

## Dear Administrator Guzman:

Thank you for your recent visit to Central Virginia. It was an honor to host you as we visited The Tin Pan, a recipient of the Shuttered Venue Operator Grant. I deeply appreciate your commitment to our nation's small businesses, and I look forward to continuing to work with you to ensure they receive the federal support they need to remain staples of our communities for decades to come.

As you know, millions of small businesses across the country continue to experience hardship as we emerge from the COVID-19 pandemic. Small business owners are struggling to find qualified employees, adjusting to lower sales, and adapting their business models as our economy reopens and continues to contend with COVID-19.

The Small Business Administration (SBA) has been integral in delivering loans and grants to small businesses throughout the COVID-19 pandemic. In particular, the Economic Injury Disaster Loan (EIDL) program and the Targeted EIDL Advance have been a lifeline to small businesses. We are grateful for the SBA's efforts in delivering more than \$200 billion to small business owners through the EIDL program. We were also pleased by the SBA's decision to increase the loan limit for the COVID-19 EIDL program from six months of economic injury with a maximum loan amount of \$150,000 to up to twenty-four months of economic injury with a maximum loan amount of \$500,000.

Unfortunately, many of my constituents have reported several issues in their attempts to apply for a loan limit increase or a Targeted EIDL Advance. First, we have heard from small business owners who applied for the loan increase in early April and have not received an update on their application for more than 90 days. Constituents have also reported issues reaching someone at SBA's Customer Service Center. Some have reported that even when they do get through to a customer service representative, the representative is unable to provide helpful information about the status of their application. Furthermore, applicants' emails have been going unanswered for weeks.

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Accordingly, we would like to request the following information on how the SBA plans to address these issues:

- What is the average EIDL application to staff member ratio?
  - o How does this number compare to before the COVID-19 pandemic?
- How is the SBA prioritizing EIDL increase applications?
- Has the SBA experienced issues with hiring additional staff to process EIDL increase applications?
  - o If so, please expand on these difficulties.
- Does SBA have the technological capabilities to sufficiently handle the current volume of applications?
  - Are there tools or resources that would enable the SBA to process applications more efficiently?
- Are there any other factors impacting SBA response time you would like to highlight?

At a time when countless small businesses are trying to regain their financial footing, it is vital for these entrepreneurs to receive the assistance they need from the programs put in place by Congress. They deserve timely and accurate information about the status of their requests for funds that could prevent them from shutting their doors permanently.

Thank you, Administrator Guzman, for your attention to this critical matter, and for the SBA's work to address the economic impacts of this pandemic. We know a lot has been asked of the hardworking staff of the SBA and appreciate all that the agency has done to help support small businesses, particularly during this time of economic upheaval. Your swift action on this issue will help alleviate the concerns of small business owners in Central Virginia and across our country.

Sincerely,

Abigail D. Spanberger

MEMBER OF CONGRESS